Belton T. Zeigler

Direct Dial: 803-454-7720 Direct Fax: 803-381-9120

E-mail: Belton.Zeigler@wbd-us.com

September 13, 2019

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: South Carolina Energy Freedom Act (House Bill 3659) Proceeding Related to Dominion Energy South Carolina, Incorporated and S.C. Code Ann. Section 58-41-30 Related to Electrical Utilities and Their Current Voluntary Renewable Energy Program, and Such Other Proceedings Required By the Commission, Docket No. 2019-209-E

Dear Ms. Boyd:

In satisfaction of the requirements of S.C. Code Ann. § 58-41-30, Dominion Energy South Carolina, Inc. ("DESC") hereby files with the Public Service Commission of South Carolina (the "Commission") a rate rider ("Rider") embodying its Voluntary Renewable Energy ("VRE") program. As envisioned by the statute, and within the terms of the VRE program as set forth in the Rider, the proposed VRE program:

- 1. Is available to non-residential customers with a "new or existing contract demand greater than or equal to one megawatt at a single-metered location or aggregated across multiple-metered locations." *Id.* at §§ 58-41-30 (A)(1); 58-41-10(5); 58-41-10(7).
- 2. Allows participating customers "to select the renewable energy facility and negotiate with the renewable energy supplier on the price to be paid by the participating customer for the energy, capacity and environmental attributes of the renewable energy facility and the term of such agreement." *Id.* at § 58-41-30 (A)(1).
- 3. Requires participating customers to pay the costs of the energy, capacity and environmental attributes of the renewable energy facility and to do so directly to the supplier. *See id.* at §§ 58-41-30 (A)(1), (D).
- 4. Provides that the "retail bill to the participating customers . . . shall be reduced by a generation credit" reflecting DESC's day-ahead hourly energy cost applied to the net energy supplied. See id. at §§ 58-41-30 (A)(1), (3), (B).

- 5. Insulates nonparticipating customers from the costs of the VRE supply. *Id.* at § 58-41-30 (D).
- 6. Designates the form contract power purchase agreement filed in Commission Docket No. 2019-184-E (the "PPA") as the basis for the renewable energy supply agreements with the operator of the renewable energy facility and designates key provisions of that agreement as the standard terms and conditions of the participating customer agreement (the "RG-Supply Agreement"). *Id.* at § 58-41-30 (C).
- 7. Provides that the PPA and the RG-Supply Agreement shall be of equal duration. *Id.* at § 58-41-30 (A)(2).
- 8. Limits the program to a total of 135 MW or approximately 3% of the previous five-year average of DESC's retail peak demand. *Id.* at § 58-41-30 (C).
- 9. Allows for one-year agreements. *Id.* at § 58-41-30 (A)(4).

DESC respectfully requests that the Commission notice DESC's request for authorization to implement this Rider on its public docket and issue the requested authorization at its earliest convenience based on the record before it. Pursuant to S.C. Code Ann. § 58-27-870(F),

the commission may allow rates or tariffs to be put into effect without notice and hearing upon order of the commission when such rates or tariffs do not require a determination of the entire rate structure and overall rate of return, or when the rates or tariffs do not result in any rate increase to the electrical utility, or when the rates or tariffs are for experimental purposes, or when the rates or tariffs so filed are otherwise necessary to obtain an orderly rate administration.

Authorization of this Rider does not require a determination of the entire rate structure and overall rate of return of DESC, nor does it involve any rate increase to the utility. Therefore, it is within the authority of the Commission to authorize it on the paper record and without an evidentiary hearing.

Additionally, while S.C. Code Ann. § 58-41-30 provides for the Commission to conduct a "proceeding" to establish reasonable terms and conditions for the VRE program, a proceeding before the Commission is defined as "the general process of the Commission's determination of the relevant facts and the applicable law, the consideration thereof and the action thereupon...initiated by the filing of an appropriate pleading or issuance of a Commission order or rule to show cause." S.C. Code Ann. Reg. 103-804(Q). Therefore, the Commission's consideration of this filing, without an evidentiary hearing, constitutes a "proceeding" under S.C. Code Ann. Reg. 103-804(Q) and satisfies the related statutory provisions.

Thus, in as much as the proposed tariff does not require a determination of the entire rate structure and overall rate of return of DESC, and in as much as no evidentiary hearing is required for a proceeding to establish reasonable terms and conditions for a VRE program, DESC requests that this Commission take up this request and issue an order allowing the Rider to be put into effect without an evidentiary hearing.

Thank you for your consideration of these matters.

Respectfully submitted,

/s/Belton T. Zeigler

K. Chad Burgess
Matthew W. Gissendanner
Dominion Energy South Carolina, Inc.
Mail Code C222
220 Operation Way
Columbia, SC 29033
(803) 217-8141 (KCB)
(803) 217-5359 (MWG)
chad.burgess@scana.com
matthew.gissendanner@scana.com

Belton T. Zeigler
Kathryn S. Mansfield
Womble Bond Dickinson (US) LLP
1221 Main Street, Suite 1600
Columbia, SC 29201
(803) 454-7720(BTZ)
(803) 454-7721 (KSM)
Belton.zeigler@wbd-us.com
Kathryn.mansfield@wbd-us.com

Attorneys for Dominion Energy South Carolina, Inc.